AGENCY ESTIMATE
OF THE FISCAL IMPACT OF IMPLEMENTING

HB 447 S1 2011 General Session
Kindergarten Literacy Improvement Program

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A. Short Form (For bills that have no impact on the state, local governments, businesses, or individuals.)

If you can check all five boxes to the right, you're almost done. If the bill obviously doesn't have an impact, you're done.

☐	State agencies will not require an appropriation to implement the bill.
☐	There is no fiscal impact on local governments.
x	There is no fiscal impact on businesses
x	There is no fiscal impact on individuals.
x	The bill will not affect revenues.

If it isn't so obvious, explain what's going on. The most usual explanation is the codification of existing practices.

Attachments welcome.

If necessary, explain why this bill has no fiscal impact.

B. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

Lines 44-61, 76-86

C. Which program gets the appropriation?

Enter 3 letter Appropriation Unit Code.

For multiple appropriations

This is [ ] of [ ]

D. Work Notes: Assumptions, calculations & what are we buying?

Explain the fiscal impact in plain English, detailing your assumptions, methods, & calculations.

List all direct costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "$50,000 in Current Expense." Be very specific about what this $50,000 will buy.

Attachments encouraged.

The bill requires the State Board of Education to contract with an educational technology provider for a computer-based kindergarten literacy program. The board may use no more than $2,500,000 from the appropriation for Early Intervention to contract with the provider. Also from funds for Early Intervention, USOE will create a grant program where school districts and charter schools may apply for funds to purchase and maintain computers for kindergarten classrooms. If these funds are to be included in the $2,500,000, it is unlikely many schools will be able to participate. The appropriation for Early Intervention in HB 2, line 358 is $7,500,000. See "Analysis" tab for a breakdown of the costs.

E. REVENUES

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Total	0	0	0

F. COSTS by FUND

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Education Fund		7,956,500	4,215,500
Total	0	7,956,500	4,215,500

G. COSTS by EXPENDITURE CATEGORY.

Expenses by Category	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Personal Services		140,000	110,000
Travel			
Current Expense		2,500,000	2,500,000
DP Current Expense			
DP Capital Outlay			
Capital Outlay		5,316,500	1,605,500
Other/Pass Thru			
Total	0	7,956,500	4,215,500

H. Non-State Impacts   Your estimate of how will the bill affect:

Local Governments

LEAs will need to purchase computer hardware as well as assistive technology devices for students with disabilities. The total cost will be $5,316,500 and $1,605,500 ongoing. They can apply for a grant to cover these costs.

Businesses

Individuals

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Lines	Requirement to Implement	Assumption	Year 2011-12 Costs	Ongoing Costs
		USOE Costs		
44-58	Contract for computer-based literacy program for kindergarten students	RFP to purchase program that meets the requirements in the bill	$ 2,500,000	$ 2,500,000
76-86	IT resources to modify data collection and analysis	IT programming and ongoing maintenance	40,000	10,000
59-61	Create a grant program where LEAs could apply for funds to purchase computers and software	Create and administer program	100,000	100,000
		Total USOE Costs	$ 2,640,000	$ 2,610,000
		LEA Costs		
59-61	Purchase computer hardware	$1000 per computer; 48,165 current part-time kindergarten students; ratio of 1 computer per 5 students. Replace 1/3 of computers every 3 years.	4,816,500	1,605,500
	Provide assistive technology devices to students with disabilities	500 Kindergarten students with disabilities; $1000 per student.	500,000	
		Total LEA Costs	$ 5,316,500	$ 1,605,500
		Total Cost By Fund		
		TOTAL COST	$ 7,956,500	$ 4,215,500
		Personal Services	$ 140,000	$ 110,000
		Travel		
		Current Expense	$ 2,500,000	$ 2,500,000
		DP Current Expense		
		DP Capital Outlay		
		Capital Outlay	$ 5,316,500	$ 1,605,500
		Other/Pass Thru		